

AMENDED IN ASSEMBLY APRIL 21, 1997

CALIFORNIA LEGISLATURE—1997–98 REGULAR SESSION

**ASSEMBLY BILL**

**No. 315**

**Introduced by Assembly Member Granlund**

February 14, 1997

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An act to amend Section 25503.2 of the Business and Professions Code, relating to alcoholic beverages.

LEGISLATIVE COUNSEL'S DIGEST

AB 315, as amended, Granlund. Alcoholic beverages: tied-house restrictions.

Existing provisions of the Alcoholic Beverage Control Act known as "tied-house" restrictions generally prohibit manufacturers, winegrowers, bottlers, importers, wholesalers, and others from performing certain activities, with specified exceptions. Existing law allows any winegrower, wine blender, beer manufacturer, brandy manufacturer, distilled spirits manufacturer, distilled spirits manufacturer's agent, rectifier, distilled spirits wholesaler, and beer and wine wholesaler, or their authorized agents, to perform certain services for off-sale retail licensees at or on the premises of the off-sale retail licensee with the licensee's permission relating to stacking, rotating, servicing, and taking inventory of stock.

This bill would allow *any beer manufacturer or beer and wine wholesaler, or their authorized agents, to provide* these same services ~~to be provided~~ to any *on-sale* retail licensee with

respect to beer only. The bill would also make technical and clarifying changes.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     ~~SECTION 1. Section 25503.2 of the Business and~~  
2     *SECTION 1. Section 25503.2 of the Business and*  
3     *Professions Code is amended to read:*  
4     ~~25503.2. Anything in this division to the contrary~~  
5     ~~notwithstanding~~     (a) *Notwithstanding any other*  
6     *provision in this division, any winegrower, wine blender,*  
7     *beer manufacturer, brandy manufacturer, distilled spirits*  
8     *manufacturer, distilled spirits manufacturer's agent,*  
9     *rectifier, distilled spirits wholesaler, and beer and wine*  
10    *wholesaler, or the authorized agent or agents or*  
11    *representative or representatives of—any—such that*  
12    *licensee, may perform any of the following services for*  
13    *off-sale retail licensees at or on the premises of the off-sale*  
14    *retail licensee with—such the retail licensee's permission:*  
15    ~~(a)~~  
16    (1) *Stack or arrange cases of the brand or brands of*  
17    *alcoholic beverages—he owns or sells owned or sold by the*  
18    *licensee performing the service in the storeroom or*  
19    *warehouse where the off-sale retail licensee stores—such*  
20    *the brand or brands.*  
21    ~~(b)~~  
22    (2) *Rotate the brand or brands—he owns or sells owned*  
23    *or sold by the licensee performing the service on shelves*  
24    *and in refrigerated boxes, and rearrange bottles or*  
25    *packages of—such the brand or brands by moving—such the*  
26    *bottles or packages horizontally or vertically from shelf to*  
27    *shelf in the space and shelves allocated to—such the brand*  
28    *or brands; provided that this shall. This paragraph does*  
29    *not permit the removal of any brand or brands of*  
30    *alcoholic beverages, except beer, which—he owns or sells*  
31    *are owned or sold by the licensee performing the service,*  
32    *from the storeroom or other place belonging to an off-sale*

retailer for the purpose of replacing alcoholic beverages on or restocking shelves or refrigerated boxes.

~~(e)~~

(3) Take an inventory of an off-sale retailer's stock of a brand or brands of alcoholic beverages which ~~he owns~~ *or sells are owned or sold by the licensee performing the service* and which are in the stockroom or other place belonging to ~~such~~ *the* off-sale retailer.

~~(d)~~

(4) Service the brand or brands of alcoholic beverages ~~he owns and sells~~ *owned or sold by the licensee performing the service* which are on shelves, fixtures, or other display pieces at the off-sale retail premises, including, but not limited to dusting bottles and shelves and refrigerated boxes allocated to ~~such~~ *the* brand or brands at ~~such~~ *the* retail premises. The licensees authorized to render services by this section and their agents and representatives may not price-mark individual containers of the brand of alcoholic beverages, except beer, owned or sold by ~~such~~ *the* licensee performing the service, except for individual bottles used on floor displays.

*(b) Notwithstanding any other provision in this division, any beer manufacturer or beer and wine wholesaler, or the authorized agent or agents or representative or representatives of that licensee, may perform any of the services specified in paragraphs (1) to (4), inclusive, of subdivision (a), with respect to beer, for on-sale retail licensees at or on the premises of the on-sale retail licensee with the retail licensee's permission.*

~~Professions Code is amended to read:~~

~~25503.2. Notwithstanding any other provision in this division, any winegrower, wine blender, beer manufacturer, brandy manufacturer, distilled spirits manufacturer, distilled spirits manufacturer's agent, rectifier, distilled spirits wholesaler, and beer and wine wholesaler, or the authorized agent or agents or representative or representatives of that licensee, may perform any of the following services for retail licensees~~

1 ~~at or on the premises of the retail licensee with the retail~~  
2 ~~licensee's permission:~~

3 ~~(a) Stack or arrange cases of the brand or brands of~~  
4 ~~alcoholic beverages the retailer owns or sells in the~~  
5 ~~storeroom or warehouse where the retail licensee stores~~  
6 ~~the brand or brands.~~

7 ~~(b) Rotate the brand or brands the retailer owns or~~  
8 ~~sells on shelves and in refrigerated boxes, and rearrange~~  
9 ~~bottles or packages of the brand or brands by moving the~~  
10 ~~bottles or packages horizontally or vertically from shelf to~~  
11 ~~shelf in the space and shelves allocated to the brand or~~  
12 ~~brands. This subdivision does not permit the removal of~~  
13 ~~any brand or brands of alcoholic beverages, except beer,~~  
14 ~~which the retailer owns or sells from the storeroom or~~  
15 ~~other place belonging to a retailer for the purpose of~~  
16 ~~replacing alcoholic beverages on or restocking shelves or~~  
17 ~~refrigerated boxes.~~

18 ~~(c) Take an inventory of a retailer's stock of a brand or~~  
19 ~~brands of alcoholic beverages which the retailer owns or~~  
20 ~~sells and which are in the stockroom or other place~~  
21 ~~belonging to the retailer.~~

22 ~~(d) Service the brand or brands of alcoholic beverages~~  
23 ~~the retailer owns and sells which are on shelves, fixtures,~~  
24 ~~or other display pieces at the retail premises, including,~~  
25 ~~but not limited to, dusting bottles and shelves and~~  
26 ~~refrigerated boxes allocated to the brand or brands at the~~  
27 ~~retail premises. The licensees authorized to render~~  
28 ~~services by this section and their agents and~~  
29 ~~representatives may not price mark individual~~  
30 ~~containers of the brand of alcoholic beverages, except~~  
31 ~~beer, owned or sold by the licensee, except for individual~~  
32 ~~bottles used on floor displays.~~